

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF PENNSYLVANIA

In re	:	Chapter 11
R.E. GAS DEVELOPMENT, LLC, <i>et al.</i> , ¹	:	Case No. 18-22032 (JAD)
Debtors.	:	(Joint Administration Requested)
R.E. GAS DEVELOPMENT, LLC, <i>et al.</i> ,	:	
Movants,	:	
v.	:	
NO RESPONDENT,	:	
Respondent.	:	

**DEBTORS' *EX PARTE* MOTION FOR ENTRY OF AN ORDER
(A) SCHEDULING EXPEDITED HEARINGS ON CERTAIN FIRST DAY
MOTIONS AND (B) APPROVING FORM AND MANNER OF NOTICE THEREOF**

The above-captioned debtors and debtors in possession (collectively, the "Debtors") hereby move this Court (the "Motion") for an order pursuant to Rule 9013-2 of the Local Bankruptcy Rules of the U.S. Bankruptcy Court for the Western District of Pennsylvania (the "Local Rules"), scheduling expedited hearings on certain "first day" pleadings filed contemporaneously with Debtors' voluntary petitions for bankruptcy relief and, in connection therewith, respectfully state the following:

¹ The Debtors are the following four entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): Rex Energy Corporation (4402); Rex Energy Operating Corp. (0390); Rex Energy I, LLC (9799); and R.E. Gas Development, LLC (5422). The address of each of the Debtors is 366 Walker Drive, State College, Pennsylvania 16801.

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue for this matter is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

2. On the date hereof (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"). The Debtors are continuing in possession of their properties and are managing their business, as debtors in possession, pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. Debtor R.E. Gas Development, LLC ("R.E. Gas") is a Delaware limited liability company headquartered in State College, Pennsylvania. Substantially all of the assets of R.E. Gas are located in Pennsylvania. Its parent entity is Rex Energy Corporation ("Rex Energy"), a Delaware corporation. Rex Energy was incorporated and became a public company in 2007. Each of the other Debtors is a wholly-owned direct subsidiary of Rex Energy. The Debtors are independent oil and gas companies operating in the Appalachian Basin, engaged in the acquisition, production, exploration and development of oil, natural gas and natural gas liquids. The Debtors are focused on drilling and exploration activities in the Marcellus Shale, Utica Shale and Upper Devonian Shale.

4. Additional information regarding the Debtors and these chapter 11 cases (these "Cases"), including the Debtors' business, corporate structure, financial condition and reasons for and objectives of these Cases, is set forth in the *Declaration of Thomas C. Stabley in Support of First Day Pleadings* (the "First Day Declaration"), filed contemporaneously herewith and incorporated herein by reference.

5. The Debtors have submitted various first day motions that seek authority to continue the Debtors' business operations and allow the Debtors to commence these chapter 11 cases in the best position possible to preserve and maximize the value of their estates. The Debtors have also requested that this Court designate these Cases as complex cases pursuant to Local Rule 1002-2, and to jointly administer these Cases pursuant to Federal Rule of Bankruptcy Procedure 1015(b).

RELIEF REQUESTED²

6. By this motion (this "Motion"), the Debtors seek entry of an order, substantially in the form attached hereto as Exhibit A (the "Proposed Order"): (a) scheduling an expedited hearing to consider certain "first day" pleadings; and (b) approving the form and manner of notice of such expedited hearing.

A. First Day Hearings

7. Contemporaneously with the commencement of these Cases, the Debtors filed, among other motions, each of the "first day" pleadings (the "First Day Motions") indicated in the proposed first day agenda, which is attached hereto as Exhibit B.

8. The relief requested in the First Day Motions is required in order to facilitate a smooth transition into chapter 11 and preserve and maximize the value of their estates.³ Absent the relief requested in the First Day Motions, the Debtors will face substantial disruption to their businesses as well as material harm. The Debtors therefore submit that, in order to preserve their

² Capitalized terms used and not defined have the meanings given to such terms elsewhere in this Motion or in the First Day Declaration, as applicable.

³ The First Day Declaration and each of the First Day Motions contain additional detail regarding the facts and circumstances surrounding just cause for consideration on an expedited basis, as well as the specific harm(s) that the Debtors will incur if hearings on an expedited basis are not granted, which facts and circumstances are hereby incorporated by reference.

estates and minimize disruptions to their businesses, hearings on the First Day Motions should be conducted on an expedited basis as requested herein.

9. The request for an expedited hearing is caused by the nature of certain demands immediately faced by the Debtors upon filing these Cases and is not caused by any lack of diligence by the Debtors or their proposed counsel.

10. Accordingly, the Debtors request that this Court schedule an expedited hearing to consider the First Day Motions and approve the form and manner of notice thereof attached hereto as Exhibit C.

B. Notice

11. Notice of this Motion will be provided to: (a) the Office of the United States Trustee for the Western District of Pennsylvania; (b) the United States Attorney for the Western District of Pennsylvania; (c) those creditors holding the 30 largest unsecured claims against the Debtors; (d) Simpson Thacher & Bartlett LLP, as counsel to Angelo, Gordon Energy Servicer, LLC in its capacity as Administrative Agent and Collateral Agent for the Prepetition First Lien Credit Agreement; (e) Wilmington Savings Fund Society, FSB, as the indenture trustee for those certain 1.00%/8.00% Senior Secured Second Lien Notes due 2020 (the "Prepetition Second Lien Notes"); (f) Akin Gump Strauss Hauer & Feld LLP, as counsel to an ad hoc group of holders of the Prepetition Second Lien Notes; (g) BOKF, NA, as the indenture trustee for those certain 8.875% Senior Notes due 2020 and 6.250% Senior Notes due 2022; (h) the Internal Revenue Service; (i) the Securities and Exchange Commission; (j) the office of the attorney general for the states in which the Debtors operate; (k) Bank of America, N.A.; and (l) all parties entitled to notice pursuant to the Local Rules. As this Motion is seeking "first day" relief, this Motion and any order entered hereon will be served in accordance with the Local Rules. Due to the nature of

the relief requested herein, the Debtors respectfully submit that no further notice of this Motion is necessary.

NO PRIOR REQUEST

12. No prior request for the relief sought herein has been made to this Court or any other court.

WHEREFORE, the Debtors respectfully request that this Court enter the Proposed Order granting the relief requested herein and grant such other and further relief as may be appropriate.

Dated: May 18, 2018
(Pittsburgh, Pennsylvania)

Respectfully submitted,

/s/ James D. Newell

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